

SHARICE DAVIDS
3RD DISTRICT, KANSAS

COMMITTEE ON TRANSPORTATION AND
INFRASTRUCTURE

COMMITTEE ON SMALL BUSINESS

Congress of the United States
House of Representatives
Washington, DC 20515

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August 30, 2021

The Honorable Nancy Pelosi
Speaker
U.S. House of Representatives
Washington, D.C. 20515

The Honorable Charles Schumer
Majority Leader
United States Senate
Washington, D.C. 20510

The Honorable Nydia Velazquez
Chairwoman
U.S. House Committee on Small Business
Washington, D.C. 20515

The Honorable Ben Cardin
Chairman
U.S. Senate Committee on Small Business
& Entrepreneurship
Washington, D.C. 20510

Dear Speaker Pelosi, Leader Schumer, Chairwoman Velazquez, and Chairman Cardin,

I write to you today to respectfully urge that you include funding and support for small manufacturers in the upcoming budget reconciliation package. Any bill that seeks to spur long-term economic growth in many sectors of our economy *must* prioritize our small manufacturing businesses, which form a critical part of our economy and our supply chains.

Small manufacturers have stepped up to the plate to produce desperately needed personal protective equipment (PPE) and other supplies that became scarce during the COVID-19 pandemic. In our district in Kansas, several businesses worked quickly to retool their production last year and help fill in the gaps in our supply chain. But one of the critical challenges that these manufacturers face is access to capital. Existing programs through the Small Business Administration (SBA) offer some help to manufacturers, but more can be done to help small manufacturers secure the financing they need to succeed.

That's why I introduced the SUPPLIES Act, which would create a grant program through the SBA to provide capital to small businesses who want to shift their production to manufacturing PPE and testing supplies. Importantly, this bill would also require companies to prioritize domestic customers and to sell their products at reasonable market prices, thereby boosting American manufacturing and eliminate price gouging practices unfortunately seen when supplies were low last year. It's also why I joined Representative Angie Craig in introducing the 504 Modernization and Small Manufacturer Enhancement Act, bipartisan legislation that would

increase maximum loan amounts, streamline the loan process, and provide additional support from local SBA district offices to manufacturers.

The American Rescue Plan Act included \$10 billion for domestic manufacturing of PPE as well as testing and vaccine supplies. I advocated for explicit set-asides for small manufacturers within that funding, and while I've heard from business owners in the Kansas Third District that those funds helped to strengthen our domestic supply chain, we must do more to ensure long-term capital and SBA support for small manufacturers.

As you begin drafting the budget reconciliation bill, I urge you to consider including these pieces of legislation, or similar policies that will improve small manufacturing businesses' ability to access capital. Our nation's reliance on international manufacturers for vital emergency medical supplies proved to be an issue of national security in 2020. Going forward, we must ensure that we have a stable, diversified, and domestic supply chain of medical supplies, so that we can keep our people safe and our economy moving.

Sincerely,

A handwritten signature in blue ink, appearing to read 'S. Davids', with a stylized flourish at the end.

Representative Sharice Davids
Member of Congress